

FINANCE COMMITTEE REPORT

September 03, 2013

A Finance Committee meeting was held Tuesday, September 03, 2013 at 6:00 p.m. in the County Administration Building, Quorum Court Meeting Room, 215 East Central, Bentonville, Arkansas.

Committee Members Present: Allen, J. Harrison, Jones, Chiocco, Curry, Moore, Moehring

Others Present: JPs Meyers, Adams, K. Harrison, Anglin, and Hernandez, County Judge Bob Clinard, Sheriff Kelly Craddock, County Assessor Glen “Bear” Chaney, County Collector Gloria Peterson, County Attorney George Spence, Comptroller Sarah Daniels, Accounting Manager Mike Crandall, Administrator of General Services John Sudduth, Human Resources Manager Barbara Ludwig, Administrator of Public Safety Marshal Watson

Tom Sissom – Benton County Daily Record

Chair JP Allen called the meeting to order.

1. Grants Administrator Report

Accounting Manager Mike Crandall reported that application for the Arkansas Department of Rural Services – Rural Community Grant for NEBCO Fire and EMS grant, and the Arkansas Department of Environmental Quality 2014-E-Waste grant have been submitted and that they are waiting for approval

2. Appropriation Ordinance Request – Non-Dept. & Maintenance, Dept. 23, Fund 010

Comptroller Sarah Daniels stated this appropriation ordinance request is to transfer \$3,000 from “Capital” to “Small Equipment” left over from when they purchased a trailer for less than the capital requirement.

JP J. Harrison made motion to approve and forward the appropriation ordinance request to the September 2013 Committee of the Whole agenda, seconded by JP Moehring.

Motion passed by unanimous show of hands vote.

3. Appropriation Ordinance Request – Environmental Services, Dept. 38, Fund 010

Sarah Daniels stated this appropriation ordinance request is to transfer \$5,500 in remaining funds from “Capital” to “Machinery & Equipment Repair/Maintenance” to repair a grappling truck.

Discussion was held on allocating funds for repairs needed for the grappling truck.

JP Moore made motion to approve and forward the appropriation ordinance request to the September 10, 2013 Committee of the Whole agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

4. Appropriation Ordinance Request – Public Safety Services, Dept. 66, Fund 010

Sarah Daniels stated this appropriation ordinance request is to appropriate \$76,000 received from the dissolution of the Regional HAZMAT Team, and that the funds will go to HAZMAT to purchase Detection and Communications equipment.

JP Jones made motion to approve and forward the appropriation ordinance request to the September 10, 2013 Committee of the Whole agenda, seconded by JP Chiocco.

Motion passed by unanimous show of hands vote.

5. Appropriation Ordinance Request - Road Dept. Bridge Projects, Dept. 45, Fund 440

Sarah Daniels stated this appropriation ordinance request is to transfer \$1,200 from “Other Services” to “Capital” to purchase land for the Fisher Ford Bridge rights-of-way.

JP Harrison made motion to approve and forward the appropriation ordinance request to the September 10, 2013, Committee of the Whole agenda, seconded by JP Curry.

Motion passed by unanimous show of hands vote.

Sarah Daniels asked for the court’s approval to appropriate funds for payment to the landowner for the rights-of way property.

Request for approval passed by a unanimous show of hands vote.

6. EMS Discussion – Public Hearing Sept. 5, 2013

JP Allen stated that the EMS discussion was forwarded from the August 13, 2013 Committee of the Whole meeting for further discussion. He stated they know that the EMS service cost for 2014 is going to be roughly \$950,000, and that the consensus is for the Quorum Court to vote on whether or not to charge a household fee as opposed to holding an election. He stated his perspective is that they have been “beating this around for years;” this topic was brought up in public hearings, meetings, and media, and the public is aware of this issue, and are saying that they want ambulance service. He stated even though it is not required that the county provide ambulance service, we, as a court know that the moral obligation is there.

Sarah Daniels presented a power point presentation showing the subsidy requests received from the cities and municipalities, and the fee amounts that would have to be collected as a per-household fee from the residents of the unincorporated areas in Benton County to pay for EMS service in that area.

County Attorney George Spence stated that the notice of a public hearing has been published, as required by law, to hold a public hearing.

Discussion was held on imposing a per-number of household’s fee in the unincorporated areas of Benton County to fund EMS service or holding an election for the voters to decide.

County Attorney George Spence stated if fees are collected and an Emergency Medical Service District EMSD is set up, those fees cannot be used for anything other than providing EMS service to the district. He stated that the fees can be used to operate an ambulance service.

Lengthy discussion was held on imposing a per-household fee or a per capita fee to support ambulance service for the unincorporated areas of Benton County.

County Attorney George Spence stated that a public hearing is for the public to come and make comments and explained the process and procedures for holding a public hearing. He stated that after the public hearing they will vote on the proposed ordinance at the next Quorum Court meeting, and they will need to suspend the rules to read it three times, which will require 10 votes to suspend the rules and 8 votes to pass the ordinance.

Further discussion was held on the proposed subsidy requests and imposing a per-household or a per-capita fee to fund EMS service to the unincorporated areas of Benton County.

JP Allen stated that he would like for the committee to consider imposing an \$85.00 per-household fee.

JP Curry made motion to approve an \$85.00 per-household fee for EMS service to the unincorporated areas of Benton County and forward to the September 10, 2013 Committee of the Whole agenda, seconded by JP Moore.

Motion passed by unanimous show of hands vote.

Meeting recessed.

Meeting reconvened.

7. Discussion: Rogers Satellite Office Relocation

County Judge Bob Clinard stated that they are considering plans to move the County's Satellite offices in Rogers for the County Clerk, County Collector, and Assessor's offices and close the Bentonville satellite office. He stated that they still need to have a big presence in Rogers, and that they have looked at the USA Drug building, located at 15th and Walnut in Rogers, which is up for sale for \$1,056,000. He reported that the building was built in 2002, contains over 10,000 square feet of floor space, 47 parking spaces, with room for more. He stated that any offer to purchase the building would be subject to approval from the Quorum Court and a complete overall inspection. He stated that the USA Drug building will provide more space for voting, and a better flow of people in the Assessor's and Collector's office in conjunction with the Revenue Office. He added that the State Revenue Department has said that they would move into the building and pay rent.

Assessor Glenn "Bear" Chaney stated that the Assessor's Office is maxed to the limit at the Rogers Satellite office and that if they move into this building they will need to add at least one employee to each office with the traffic to support them.

8. RDA – Information Only

County Judge Bob Clinard stated that the Rural Water Development Authority RDA has approached the county and said that they are no longer able to operate the two water systems under their purview using volunteer staff. He added that the RDA has sent out a Request for Proposal for bids to operate and manage the two RDA systems. He stated that a previous ordinance states that it is the responsibility of the Quorum Court and the County Judge to fund the RDA water systems when needed. He stated that it could cost from \$50,000 up to \$100,000 to operate and manage the two systems.

JP Allen stated there is no action required at this time.

9. Appropriation Ordinance Request – Sheriff, Dept. 05, Fund 010, Jail, Dept. 67, Fund 010

Sarah Daniels stated this appropriation ordinance request is for the Sheriff and Jail Departments for Majors and Captains positions. She stated that the Quorum Court had sent the appropriation request back to the Finance Committee for further discussion.

JP Curry stated this appropriation request is for a 12.5% wage increase for the Major and Captains' positions in the Sheriff and Jail Departments, and is the same amount of increase the Road Department's Construction Supervisor received, and asked that court pass the request.

JP Curry made motion to approve the Sheriff's Department appropriation request for a 12.5% increase and make retroactive to September 2, 2013 and forward to the September 10, 2013 Committee of the Whole agenda.

Motion died for lack of second.

Sarah Daniels explained how each of the proposed percentages for the increase recommended for the Major and Captains' positions would affect the 2014 budget.

JP Moehring stated that in fairness to the rest of the county the Sheriff's request should be moved to the budget process.

JP J. Harrison stated that he would support a 7% increase and the difference could go through the budget process.

JP K. Harrison stated he would support the Sheriff's request for salary increases to the Major and Captain Positions.

Sheriff Craddock thanked the court for having conversation throughout these meetings; he added that they have been tedious and he appreciated their time. He stated he feels like the court has also been put in a very uncomfortable situation to have to defend any type of raise what so ever and that was never his intention. He stated it was never his intention to come to the court to minimize anyone else's position in the county. He stated that he appreciates the comments and the support, and does not want anyone to think he has negative feelings toward them for disagreeing with him on this issue. He said that in several private conversations, he has been asked if he would consider amounts other than the 12.5%, and he has said that he would. He added that he initially asked for the maximum amount, fully expecting it to be cut in half very early, and that would have been the starting point for negotiations. He said he would be pleased with whatever increase the court sees fit to give, but he believes they deserve the full amount.

JP Anglin stated that she opposed the Sheriff's request at this time, but that it should be considered at budget time.

JP Adams stated that he would support the 12.5% increase request because the employees deserve it.

JP Allen stated that there is no question the Sheriff's Office has done a fabulous job, he supports the Sheriff's Office, and he wants them to have what they need to operate, because it is a primary duty of county government to provide law enforcement. He said however, it is the primary duty of the Quorum Court to manage the budget and keep some form of orderly system and procedure as to how to do the county's business. He stated that he would really like to see respect for the procedure, fears that moving forward with this now instead of at budget time will lead to other departments doing the same thing. He added that the court has really struggled with this, and it has at times been a volatile issue, and he certainly does not want to see that, but everybody here wants to support the Sheriff's Office.

JP K. Harrison stated he would support the Sheriff's request.

JP Curry made motion to approve the 12.5% salary increase for the Sheriff's Office and forward it to the September 10, 2013 Committee of the Whole agenda, seconded by JP Chiocco.

Lengthy discussion was held on approving the proposed wage increases, or waiting until the budget process.

JP Allen stated that we have a budget committee for a reason and that budget time is just a month away. He said he does not understand why they are having such a heated discussion about doing this now instead of taking it to budget.

Sheriff Cradduck stated that his people matter, their pay matters and that he wants to keep his people from going to where the money is.

Motion failed by show of hands vote.

3 in favor:	Jones, Chiocco, Curry
4 opposed	Allen, J. Harrison, Moore, and Moehring

JP Chiocco made motion to approve a 7% salary increase for the Sheriff's Office and forward to the September 10, 2013 Committee of the Whole agenda, seconded by JP J. Harrison

Motion passed by show of hands vote.

4 in favor:	J. Harrison, Allen, Chiocco, Curry
3 opposed	Allen, Moore, and Moehring

07. Sales Tax Numbers

Sarah Daniels reported that June sales tax receipts were up 21.56% for the month, showing an increase of 10% for the year, with a net gain of \$449,069 for 2013.

08. Jail Collections

Sarah Daniels reported that Jail Collections were up 16.79% over the revised \$850,000 budget amounts through August 2013 and that \$661,784 has been collected for the year.

09. Fuel Analysis

Accounting Manager Mike Crandall reported that the Road Department is at 73% of their budget, while the Sheriff's Department is at 70% of their budget. He stated that average unleaded fuel costs have increased 7% to \$3.29 per gallon and that diesel has increased 3% to \$3.32 per gallon. He stated that year-to-date \$64,083, has been transferred back to the Road Department.

10. Fund Summary

Mike Crandall reported on the Monthly Fund Summary, stating that the General Fund is at 64.43%, and the overall budget is at 59.04%.

Other Business

None

Announcements

JP Jones announced that a Special Quorum Court meeting will be held Thursday, September 05, 2013 at 6:15 p.m. at the Benton County Courthouse, Circuit Court Division 1 – Judge Green's Courtroom.

JP Allen announced that a Public Hearing will be held Thursday, September 05, 2013 at 6:30 p.m. at the Benton County Courthouse, Circuit Court Division 1 – Judge Green,s Courtroom.

JP Allen announced that a Legislative Committee meeting will be held Monday, September 09, 2013 at 6:00 p.m.

JP Allen announced that a Committee of the Whole meeting will be held on Tuesday, September 10, 2013 at 6:00 p.m.

Public Comments

Jo Ann Hoffmann of Rogers commented on job descriptions required of the Sheriff's Office.

Meeting adjourned at 8:46 p.m.